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CIA Monitored Activity Of Space Research Agency

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WASHINGTON — The CIA has reportedly confirmed the existence of documents showing the agency knew of illegal military shipments from Space Research Corp. to South Africa.

The documents allegedly detail the methods Space Research used to bypass Commerce Department shipping regulations and the ban on military trading with South Africa.

The confirmation came during discussions earlier this month between agency representatives and staff members of the Senate Intelligence Committee, according to a source familiar with the growing congressional interest in the Vermont-based arms firm's dealings with South Africa.

The Senate committee staffers, unable to obtain what was described as a 1975 CIA report, turned to Sen. Patrick Leahy, D-Vt., an Intelligence Committee member.

Leahy requested the documents in a letter to the agency last week. A spokesman for the senator said an answer to the request is expected within the next two weeks.

A CIA spokesman said the agency will respond to Leahy's letter, but said it is "up to him" whether or not any of the information will be released to the public.

"The CIA has not involved directly or indirectly in the transshipment of arms to South Africa," said the CIA's Dale Peterson, reiterating the position the agency has taken since allegations of its involvement began surfacing in the media more than a year ago.

Peterson declined to say what information about Space Research the agency has in its files or what will be turned over to Leahy.

There is apparently some concern that renewed interest in a possible CIA-Space Research link could prompt the agency to take drastic steps with its reports concerning the company.

"There seems to be a very real possibility the agency will get spooked on this and wipe out any information they have on Space Research," said a source familiar with discussions between the CIA and the Senate Intelligence Committee.

"Clearly, some illegal stuff has gone on, but it's not clear if the agency was really involved. Apparently, the agency

is trying to figure out how to extricate themselves gracefully from the whole thing."

In the House of Representatives, the Africa subcommittee is continuing its hearings on South Africa, which are scheduled to include an examination of the Space Research dealings with South Africa.

Subcommittee staffer David Frank said Tuesday the panel is "not ruling out any look into CIA involvement" with the company.

Later this week and next week, the subcommittee will start to look at corporate involvement by other U.S. firms in South Africa. Representatives of Ford Motor Co. and a mining firm, Rexnord of Milwaukee, will be asked to explain how American companies in South Africa eased some of the restrictive hiring and management practices common under the apartheid regime.

Sometime in June, the subcommittee plans to call executives of Space Research, now known as Sabre Industries, and State Department officials, to study enforcement of the United Nations arms embargo.